



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

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March 17, 1997

Ms. Sally Lewis, Asst. Division Engineer
Colorado Division of Water Resources
P.O. Box 773450
625 S. Lincoln
Steamboat Springs, CO 80477

Dear Sally:

Re: Pot Creek Assessments

Enclosed is a copy of the letter that you requested at the annual distribution meeting for Pot Creek on January 29, 1997. I am sorry that it has taken me this long to send it to you.

In re-reading the letter, I find that the original assessment agreement on Pot Creek was for Colorado to pay 20% of the assessment limited to \$70. That arrangement had continued until 1991 when we proposed to your State Engineer that the \$70 limitation be dropped. We made this proposal because costs had increased over the years to the point that \$70 represented only about 2.5% of the total cost of operating the system.

Also enclosed is a copy of the reply from Mr. Danielson agreeing to that arrangement for 1991.

We sent another letter in 1992 proposing the same arrangement but did not get a reply, so we assumed the arrangement continued to be agreeable. On that basis, we assessed Colorado 20% of the assessment which was \$550 again for that year. There was no further correspondence on this issue. In reviewing our assessment records for the following years, I have found that we have continued to assess Colorado a set amount of \$550 instead of 20%. This worked out okay in 1993 and 1994 because the budget and assessment remained the same as in 1991 and 1992. However, in 1995 the assessment was increased to \$3255 and in 1996 it was set at \$3250. Based on a 20% share of the cost, this would have made Colorado's assessment about \$650 for each of those two years.

Since there has been no further discussion about Colorado's assessment percentage since 1991, we have assumed that Colorado was agreeable to the 20% split. However, it certainly is a matter that we could discuss to see if there is a reason it should be adjusted. In the mean time, I am planning to use the 20% split again this year. The total assessment for Pot Creek this year is \$2600, so Colorado's share would be \$520.

If you have any questions or if you decide you would like to meet to discuss the issue, please contact me at 538-7380.

Sincerely,

Lee H. Sim, P.E.
Assistant State Engineer
for Adjudication and Distribution

cc: Bob Leake

